

OPTIMAL QUALITY CONTROL DESIGN FOR MULTISTAGE MANUFACTURING SYSTEMS

A Thesis Submitted
in Partial Fulfilment of the Requirements
for the Degree of
MASTER OF TECHNOLOGY

By
A R VENKATESH

45 02

to the
INDUSTRIAL AND MANAGEMENT ENGINEERING PROGRAMME
INDIAN INSTITUTE OF TECHNOLOGY, KANPUR
AUGUST, 1981

OPTIMAL QUALITY CONTROL DESIGN FOR MULTISTAGE MANUFACTURING SYSTEMS

A Thesis Submitted
in Partial Fulfilment of the Requirements
for the Degree of
MASTER OF TECHNOLOGY

By
A R VENKATESH

47 23

to the
INDUSTRIAL AND MANAGEMENT ENGINEERING PROGRAMME
INDIAN INSTITUTE OF TECHNOLOGY, KANPUR
AUGUST, 1981

CERTIFICATE

This is to certify that the present work on "Optimal Quality Control Design for Multistage Manufacturing Systems", by A.R.Venkatesh, has been carried out under my supervision and has not been submitted elsewhere for the award of a degree.

Kripa Shanker

(Kripa Shanker)

Assistant Professor
Industrial and Management
Engineering Programme
Indian Institute of Technology, Kanpur

July, 1981.

IMEP-1981-M-VEN-OPT

III KANPUR
CENTRAL LIBRARY

Acc. No. A 66876

SEP 1981

ACKNOWLEDGEMENTS

Words fail to express my deep sense of gratitude to my thesis supervisor Dr.Kripa Shanker whose suggestion made me explore this area of interest and whose invaluable guidance gave me the right direction.

I am grateful to all the faculty members of the IME Programme for imparting knowledge through their lectures and for their affection.

I would like to thank all my friends who made my stay at I.I.T. Kanpur a pleasant and memorable one.

I owe my thanks to Mr.Uma Shankar Misra for his neat and accurate typing and to Mr. Budhdhi Ram for his immaculate cyclostyling work.

INDEX

	Page
1. INTRODUCTION	1
1.1 Introduction	1
1.2 Aim and Organization of the thesis	2
2. SERIAL MANUFACTURING SYSTEMS	3
2.1 Why Systems approach?	3
2.2 Single Component 3-stage system	4
2.3 Serial Manufacturing System with main and byproducts	15
3. PARALLEL MANUFACTURING SYSTEM WITH ATTRIBUTE SAMPLING INSPECTION	22
3.1 Multicomponent Situations	22
3.2 Illustration of Parallel line structure	25
4. PARALLEL MANUFACTURING SYSTEM WITH MIXED SAMPLING	32
4.1 Variable and Attribute Sampling Inspections	32
5. CONCLUSIONS	40
5.1 Scope for further research	40
6. REFERENCES	41

ABSTRACT

This thesis presents the design of optimal quality levels and optimal interrelated single sampling plans for multistage manufacturing systems. Forward recursion dynamic programming technique is utilised to obtain the minimum expected total manufacturing cost subject to AOQL constraints. A three-stage single product serial manufacturing system, a five-stage serial manufacturing system with a main product and a byproduct and a multiproduct parallel manufacturing system with five stages are taken for illustration using attribute sampling inspection. A multiproduct parallel manufacturing system with both attribute and variable sampling inspections is also illustrated.

CHAPTER 1

INTRODUCTION

1.1 Introduction

In general, any quality control problem in industry requires fixing up and ensuring a specified maximum average outgoing quality limit (AOQL) for a particular product. From the quality point of view a general situation observed in a manufacturing industry consists of three stages; raw material inspection stage, manufacturing stage and the final product inspection stage. Many concepts and methodologies proposed in the area of economic design of quality assurance systems are limited in their treatment of the interrelationships among the average incoming quality level, manufacturing quality level and the outgoing quality level. Owing to this drawback these concepts and methodologies end up with stage by stage optimization whose solution may be far from the overall optimal solution. An approach that recognizes the relationship among the above mentioned quality levels, was proposed by Zia Hassan and Thomas W. Knowles [1]. Using the dynamic programming forward recursion technique their model minimizes the total average cost of outgoing products within the specified constraint on quality of the finished product. This approach is generally known as Systems approach to quality control.

1.2 Aim and Organization of the thesis

The main aim of this thesis is to extend this simple but yet powerful technique to a wide variety of quality control problems. A simple situation with a raw material inspection stage, a manufacturing stage and a final inspection stage is illustrated in Chapter 2. Then a case of mainproduct along with a byproduct in a serial manufacturing line is illustrated in the same Chapter. In both these cases attribute sampling inspection is adopted. An interesting situation with parallel manufacturing lines and assemblies is illustrated in the third Chapter. Attribute sampling inspection is adopted to this situation also. Chapter 4 deals with a more general situation with parallel manufacturing lines with variable sampling inspection at certain stages and attribute sampling inspection at other stages. Computer programs are developed for solving these problems and the results of the examples are included in the respective Chapters.

CHAPTER 2

SERIAL MANUFACTURING SYSTEMS

This Chapter is mainly devoted to the analysis of serial manufacturing systems. Before presenting this analysis the methodology that is used and the motivation behind it are put forward in Section 2.1. In Section 2.2 a simple serial manufacturing system with a raw material inspection stage, a manufacturing stage and a final inspection stage is illustrated. A case of main product along with a by-product passing through a total of five stages is illustrated in Section 2.3.

2.1 Why Systems approach?

As discussed in Section 1.1 the solution obtained by ignoring the interrelationships among the stages and optimizing stage-by-stage may be far from the over all optimal solution. Its common in industry to have a choice of several quality levels at various stages of the production lineup. In general its a common practice to specify the average incoming quality to the vendor who supplies the raw material. The manufacturing process can be controlled so as to give the required process fraction defective. The methodology under discussion utilizes these alternatives in the quality levels and gives the right combination of quality of conformance of incoming material, quality of the process and inspection schemes in order to minimize the total average cost of outgoing products within the specified constraint on quality of the finished product. The costs at

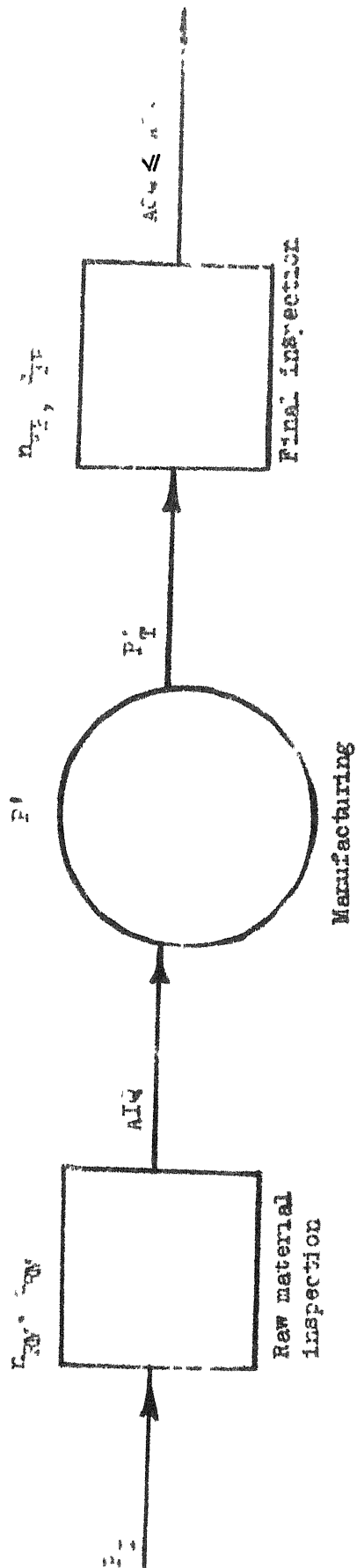


Fig. 2.1 : SINGLE COMPONENT SERIAL MULTISTAGE SYSTEM

various stages are functions of the quality levels at those stages.

2.2 Single component 3-stage system

The situation in which a component passes through raw material inspection, manufacturing stage and final product inspection is a good representative of general situations in the industry. This simple situation is shown in Figure 2.1. The actual situation can be a linear extension of this situation with many more manufacturing stages and inspection stages before the final inspection stage.

2.2.1 Notations

The following notations are used in the model formulation and the development of the methodology.

AIQ	:	Average incoming quality (average fraction defective) after the raw material inspection
AOQ	:	Average outgoing quality (average fraction defective) after the finished product inspection.
AOQL	:	Average outgoing quality limit.
$AOQL_0$:	Specified average outgoing quality limit of the finished product.
ATI	:	Average total inspection.
C	:	Acceptance number.
k_1	:	Average cost of repair/replacement of a defective unit.
k_2	:	Average cost of inspection per unit.

- k_3 : Basic conversion operation cost per unit.
- k_4 : Average incoming material cost per unit.
- N : Lot size.
- n : Sample size.
- P_a : Probability of acceptance of a lot.
- P_I : Average fraction defective of the incoming lot.
- P' : Average manufacturing process fraction defective of the product.
- P'_M : Value of the incoming fraction defective to an inspection station which results in the maximum average outgoing fraction defective AOQL.
- P'_T : Average fraction defective of an outgoing lot from a manufacturing stage.

Subscripts RM and FP indicate raw material and finished product stages.

In order to characterize the system the following assumptions are made.

1. To ensure a specified AOQL, a large number of lots of size N are produced.

2. Any process average P_I , $0 \leq P_I \leq 1$ can be negotiated with the raw material supplier.

3. Defectives occur in each manufacturing process according to a Bernoulli process, with parameter P' . These defectives are statistically independent of the defectives from the incoming material. Any desired P' can be selected.

4. Perfect inspection is employed.

5. All defectives inspected are identified and replaced or repaired at the stage they are found.

6. Inspection at any stage can identify defects produced at any of the prior stages.

7. In any inspection station, the only interest is whether an item is defective or not. The number of defects found in an item is irrelevant.

2.2.2 Model Formulation

The decision variables are P_I , n_{RM} , c_{RM} , P' , n_{FP} and c_{FP} . The objective is to minimize the expected total manufacturing cost subject to the final product sampling plan assuring the specified AOQL, $AOQL_0$.

Objective Function : Expected total manufacturing cost (TMC).

Expected TMC = Expected cost of raw material
 + expected cost of inspection at raw material stage
 + expected cost of repairing defectives at raw material stage
 + expected cost of conversion
 + expected cost of inspection at final product stage
 + expected cost of repairing defectives at the final product stage.

k_3N is the expected cost of raw material where k_3 may vary with P_I (usually monotonically non increasing).

At all inspection stages, the average total inspection is

$$ATI = n + (N - n) (1 - P_a)$$

where P_a , the probability of acceptance of a lot depends on the incoming fraction defective to the inspection station as well as n and c .

The expected cost of inspection at the raw material stage is $k_{2RM}ATI_{RM}$ and is $k_{2FP}ATI_{FP}$ at the final product stage. The expected cost of repairing or replacing defectives at the raw material stage is $k_{1RM}(P_I ATI_{RM})$ where $P_I ATI_{RM}$ is the average defectives found. Similarly the expected cost of repairing or replacing defectives is $k_{1FP}(P_T^i ATI_{FP})$ at the final inspection stage where P_T^i is the average fraction defective after the manufacturing stage.

The expected cost of conversion is k_4N where k_4 may vary with P' (usually monotonically non increasing).

Thus expected TMC

$$= k_{3N} + (k_{2RM} + k_{1RM} P_I) ATI_{RM} + k_4 N \\ + (k_{2FP} + k_{1FP} P_T^i) ATI_{FP}$$

The formulation thus is

Min (Expected TMC)

$P_I, n_{RM}, c_{RM}, P', n_{FP}, c_{FP}$

$$\text{S.t } \text{AIQ} = P_a P_I (N - n_{RM})/N \quad (1)$$

$$P'_T = P' + \text{AIQ} - P' \text{AIQ} \quad (2)$$

$$\text{AOQ} = P_a P'_T \frac{(N - n_{FP})}{N} \quad (3)$$

$$\text{Max } \text{AOQ} \leq \text{AOQL}_0 \quad (4)$$

$$0 \leq P' \leq 1$$

$$0 \leq c_{RM} \leq n_{RM} \leq N \quad (5)$$

$$0 \leq c_{FP} \leq n_{FP} \leq N \quad (6)$$

$$n_{RM}, c_{RM}, n_{FP}, c_{FP} \text{ integers} \quad (7)$$

$$\text{Here } P_a = \sum_{x=0}^{c_{RM}} \binom{n_{RM}}{x} P_I^x (1-P_I)^{(n_{RM}-x)} \quad (8)$$

in case of Binomial distribution

$$\text{and } P_a = \sum_{x=0}^{c_{RM}} \frac{(n_{RM} P_I)^x e^{-n_{RM} P_I}}{x!} \quad (9)$$

in case of Poisson approximation to the Binomial distribution.

2.2.3 Solution Methodology

A forward recursion dynamic programming technique is adopted for obtaining the total optimal cost of manufacturing. The solution methodology is explained stage by stage in detail.

Stage 1 : Raw Material Inspection

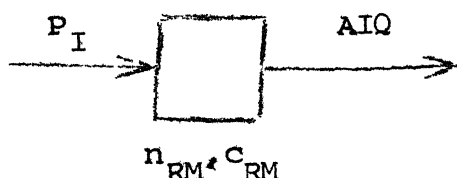


FIGURE 2.2 RAW MATERIAL INSPECTION STAGE

The inspection at the raw material stage is depicted in Figure 2.2.

Let f_1 (AIQ) be the minimum cost of raw material and inspection at raw material inspection stage for a given AIQ.

Then f_1 (AIQ) can be expressed as

$$f_1 \text{ (AIQ)} = \text{Min}_{P_I, n_{RM}, c_{RM}} \left[(k_{1RM} P_I + k_{2RM}) ATI_{RM} + k_3 N \right]$$

where k_{1RM} = the cost of replacement or repair per one defective unit

so $k_{1RM} \cdot P_I \cdot ATI_{RM}$ = the cost of replacement or repair of all the defective units.

k_{2RM} = the cost of inspection per unit

$k_{2RM} \cdot ATI_{RM}$ = the total cost of inspection

k_3 = cost of raw material per unit.

k_3 is a function of the raw material quality. For example k_3 can be $(\frac{0.03}{P_I} + 0.3)$ which means that the more the fraction defective the less the cost of the raw material.

So $k_3 N$ = the total cost of the raw material.

The constraints are (1), (5), (7) and (8).

The method followed to generate the value of f_1 for a given AIQ is as follows.

For a fixed value P_I start with $c_{RM} = 0$ find n_{RM} such that constraint (1) is satisfied. If n_{RM} is an integer the theoretical Minimum $ATI_{RM}^* = (N - \frac{AIQ \cdot N}{P_I})$ and it is invariant with respect to c_{RM} and n_{RM} .

But if n_{RM} is not an integer it is rounded up and ATI_{RM} is calculated from the equation $ATI_{RM} = n_{RM} + (N - n_{RM}) P_a$. If

ATI_{RM} is acceptably close to ATI_{RM}^* the optimal values are that pair of n_{RM} and c_{RM} . Otherwise c_{RM} is increased and a new n_{RM} is calculated. The procedure is repeated for all values of P_I and the optimal P_I for the given AIQ is the one which gives minimum $f_1(AIQ)$. The procedure is repeated for all the values of AIQ . All the optimal values are stored for tracing back the final solution.

Stage 2 : Manufacturing

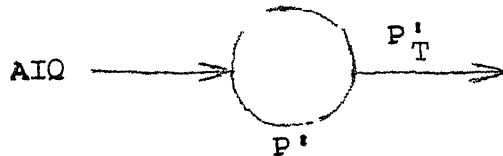


FIGURE 2.3 : MANUFACTURING STAGE

At the manufacturing stage the input consists of $N \cdot AIQ$ defective and $N(1 - AIQ)$ non defective units. The output consists of $N \cdot AIQ + N(1 - AIQ)P^I$ defective units.

$$\begin{aligned}
 \text{So } P_T^I &= \frac{N \cdot AIQ + N(1 - AIQ)P^I}{N} \\
 &= P^I + AIQ - P^I AIQ \\
 P^I &= \frac{P_T^I - AIQ}{1 - AIQ} \quad (9)
 \end{aligned}$$

$$\begin{aligned}
 f_2(P_T^I) &= \text{Minimum total cost of raw material inspection} \\
 &\quad \text{stage and manufacturing stage for a given } P_T^I \\
 &= \min_{P^I} \left[k_4 N + f_1(AIQ) \right]
 \end{aligned}$$

Here k_4 is the cost parameter. Its a function of P^I , the process fraction defective.

For example k_4 can be $(\frac{0.009}{P'} + 0.45)$ which implies that as the fraction defective goes up the cost of manufacture goes down.

From equation (9) a unique value of P' can be found out for a given P_T^i and AIQ .

For all values of AIQ , P_T^i the minimum of $f_2(P_T^i)$ is calculated for a given P_T^i . The procedure is repeated for $0 \leq P_T^i \leq 1$.

All optimal solutions are stored for tracing back the final solution.

Stage 3: Final product inspection

Figure 2.4 shows the final product inspection stage.

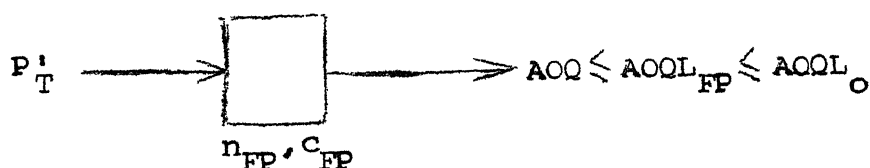


FIGURE 2.4 FINAL PRODUCT INSPECTION

Let $f_3(AOQL_O)$ be the minimum total cost of manufacture for a given $AOQL_O$. $f_3(AOQL_O)$ is the sum total of the costs at the stages 1, 2 and 3. It can be expressed as

$$f_3(AOQL_O) = \min_{n_{FP}, c_{FP}} \left[(k_{1FP} P_T^i + k_{2FP}) ATI_{FP} + f_2(P_T^i) \right]$$

The unit costs are similar to that of raw material inspection.

If P_M^i is the value of P' that attains the $AOQL_{FP}$ from equations (3) and (4)

$$\begin{aligned}
 AOQL_{FP} &= P_a P'_M \left(1 - \frac{n_{FP}}{N}\right) \\
 &= \frac{P_a P'_M n_{FP} \left(1 - \frac{n_{FP}}{N}\right)}{n_{FP}}
 \end{aligned}$$

$$\text{Let } y = P_a P'_M n_{FP}$$

$$\text{Then } AOQL_{FP} = \frac{y}{n_{FP}} \left(1 - \frac{n_{FP}}{N}\right)$$

$$n_{FP}(AOQL_{FP}) = y - \frac{y \cdot n_{FP}}{N} = \frac{y \cdot N - y \cdot n_{FP}}{N}$$

$$n_{FP}(AOQL_{FP} \cdot N + y) = yN$$

$$n_{FP} = \frac{yN}{(AOQL_{FP} \cdot N + y)} \quad (10)$$

The y values are given in Duncan's Table (16.1) for a given c from 0 to 40.

So for the specified $AOQL$, the n_{FP} corresponding to each c_{FP} is calculated from (10) and the ATI_{FP} is calculated for each combination. The combination that gives the minimum of f_3 is optimal for the desired $AOQL_0$.

Tracing back, the best n_{FP} , c_{FP} and P'_T at the Stage 3 allow the determination of P' and AIQ that resulted in the P'_T from Stage 2. Finally for the best AIQ the best corresponding n_{RM} , c_{RM} and P_I may be determined from the Stage 1 solution.

As the solution technique involves lengthy analysis, calculation and storage of obtained results, a computer program is developed and used. This program is used as the base for further modifications and extensions.

2.2.4 Illustration of a Numerical Example

The following are the input parameters for the numerical example.

Raw material
inspection stage

$$k_{1RM} = 8.5$$

$$k_{2RM} = 0.35$$

$$k_3 = \frac{0.04}{P_I} + 0.4$$

Manufacturing
stage

$$k_4 = \frac{0.01}{P_I} + 0.5$$

Final product
inspection stage

$$k_{1FI} = 11.0$$

$$k_{2FI} = 0.5$$

$$AOQL_0 = 0.035$$

$$N = 1000$$

Tables 2.1, 2.2 and 2.3 give the results.

Table 2.1 $f_1(AIQ)$ and corresponding optimal values

AIQ	n_{RM}	c_{RM}	P_I	$f_1(AIQ)$ in Rs.
0.000	180	1	0.070	1913.48
0.005	39	0	0.065	1847.15
0.010	28	0	0.065	1777.68
0.015	22	0	0.065	1708.30
0.020	18	0	0.060	1638.66
0.025	14	0	0.060	1566.91
0.030	11	0	0.060	1495.17
0.035	8	0	0.055	1423.06
0.040	6	0	0.055	1349.22
0.045	4	0	0.055	1274.97
0.050	0	0	0.050	1200.00
0.055	0	0	0.055	1127.27
0.060	0	0	0.060	1066.68
0.065	0	0	0.065	1015.39
0.070	0	0	0.070	971.43
0.075	0	0	0.075	933.33
0.080	0	0	0.080	900.00
0.085	0	0	0.085	870.59
0.090	0	0	0.090	844.44
0.095	0	0	0.095	821.05
0.100	0	0	0.100	800.00

Table 2.2 $f_2 (P_T^i)$ and corresponding optimal values

P_T^i	AIQ	P^i	$f_2 (P_T^i)$ in Rs.
.005	.000	.005	4413.00
.010	.000	.010	3413.00
.015	.000	.015	3080.00
.020	.000	.020	2913.00
.025	.000	.025	2813.00
.030	.005	.025	2745.00
.035	.010	.025	2673.00
.040	.015	.025	2602.00
.045	.020	.026	2530.00
.050	.025	.026	2456.00
.055	.030	.026	2383.00
.060	.035	.026	2309.00
.065	.040	.026	2233.00
.070	.045	.026	2156.00
.075	.050	.026	2080.00
.080	.055	.026	2005.00
.085	.055	.032	1942.00
.090	.060	.032	1880.00
.095	.065	.032	1827.00
.100	.070	.032	1781.00

Table 2.3 $f_3 (AOQ)$ and corresponding optimal values

$AOQL_o$	$f_3 (AOQ)$ in Rs.	P_T^i	n_{FP}	C_{FP}
0.000	3370.00	0.090	1000	****
0.005	3416.24	0.070	69	0
0.010	3273.79	0.020	78	1
0.015	3120.98	0.020	145	4
0.020	3007.16	0.025	137	5
0.025	2931.31	0.030	112	5
0.030	2851.19	0.040	96	5
0.035	2772.22	0.045	83	5
0.040	2689.94	0.055	73	5
0.045	2607.12	0.065	66	5
0.050	2520.85	0.070	60	5
0.055	2436.20	0.080	54	5
0.060	2358.35	0.080	50	5
0.065	2292.12	0.085	46	5
0.070	2228.12	0.090	43	5
0.075	2172.68	0.090	41	5
0.080	2121.35	0.095	38	5
0.085	2077.48	0.100	36	5
0.090	2035.55	0.100	34	5
0.095	2000.67	0.100	32	5
0.100	1971.59	0.100	31	5

The following are the optimal values for $AOQL_0 = 0.035$

$AOQL_0$	$f_3(AOQ)$	P_T^1	n_{FP}	C_{FP}
0.035	Rs.2772.22	0.045	83	5
P_T^1	AIQ	P^1	$f_2(P_T^1)$	
0.045	0.020	0.026	Rs.2530.00	
AIQ	n_{RM}	C_{RM}	P_I	$f_1(AIQ)$
0.020	18	0	0.060	Rs.1638.66

2.2.5 Sensitivity Analysis

Sensitivity analysis can be done to study the effect of varying the cost parameters on the optimal total cost of manufacture. However this analysis is system dependent as it depends entirely on the typical cost parameters of the system. Table 2.3 gives the sensitivity analysis on the specified $AOQL_0$. For example a decrease in $AOQL_0$ from 0.04 to 0.035 results in an additional expenditure of Rs.2772.22 - Rs.2689.94 = Rs.82.28.

2.3 Serial Manufacturing System with Main and byproducts

The technique illustrated in Section 2.2.3 can be easily extended to single line multistage situations where a product has to pass through more than one manufacturing stage. A situation is illustrated in which some units of the product after one manufacturing operation are sold as byproducts and the rest of the units go through another manufacturing stage

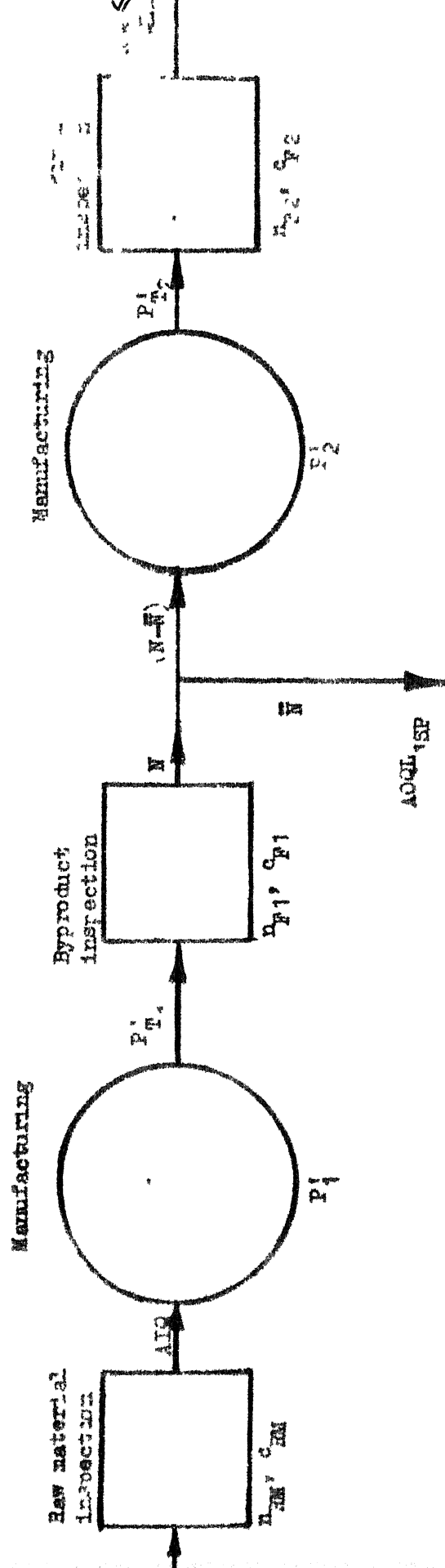


Fig. 2.6 : SERIAL MANUFACTURING SYSTEM WITH MAIN AND BYPRODUCTS

and are sold finally as major products. Figure 2.6 explains this situation.

In addition to the assumptions stated in Section 2.2.1 this problem requires another assumption.

This assumption is that \bar{N} and $(N - \bar{N})$ which are lot sizes for byproduct and major product are fairly large so that AOQ does not change significantly with both the lots.

Since the same methodology as discussed in Section 2.2.3 is used for this problem, only the objective functions that are cumulatively added and minimised at each stage, need good observation.

Stage 1 : Raw material inspection.

Referring to Figure 2.2 the cost can be written as Cost at I Stage = raw material repair cost after inspection
+ raw material inspection cost
+ raw material purchase cost

$$f_1(AIQ) = \min_{P_I, n_{RM}, c_{RM}} (k_{1RM} P_I + k_{2RM}) A T I_{RM} + k_3 N$$

Here k_3 is a function of P_I . (For Ex.: $k_3 = \frac{0.03}{P_I} + 0.3$)

Stage 2 : By product manufacturing.

Referring to Figure 2.3 we can write the Cost as Cost at II Stage = Cost at I stage + manufacturing cost of the byproduct

$$f_2(P_{T1}') = \min_{P_1'} f_1(AIQ) + k_4 N$$

(For Ex.: k_4 can be $\frac{0.009}{P_1'} + 0.45$).

Stage 3 : Byproduct inspection.

Referring to Figure 2.4 the cost can be written as,

$$\begin{aligned}
 \text{Cost at III stage} &= \text{Cost at II stage} \\
 &\quad + \text{cost of inspection of the byproduct} \\
 &\quad + \text{cost of repair of the byproduct} \\
 f_3(AOQL_1) &= \min_{n_{F1}, C_{F1}} f_2(P_{T1}^i) + (k_{1F1}P_T^i + k_{2F1})ATL_{F1}
 \end{aligned}$$

Stage 4 : Main Product manufacturing stage.

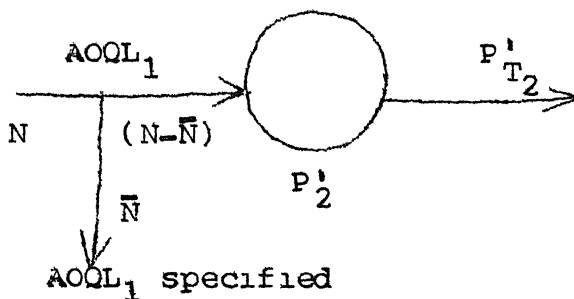


FIGURE 2.6 MAIN PRODUCT MANUFACTURING STAGE

Since \bar{N} units are sold as a byproduct after Stage 3 it will naturally have an AOQL constraint also. At this juncture another new cost is introduced. The cost is zero as long as the quality requirement of the byproduct is satisfied and increases with increasing AOQL afterwards. (Exponential increase is taken for illustration). This is some sort of a "penalty cost" as poorer quality product will naturally be sold at cheaper price and the result is loss of profit.

$$\begin{aligned}
 \text{So cost at IV stage} &= \text{Cost at III stage} \\
 &\quad + \text{Main product manufacturing cost} \\
 &\quad + \text{Penalty cost.}
 \end{aligned}$$

$$\text{Penalty cost} = 0 \text{ if } AOQL_1 \leq AOQL_{1SP}$$

$$= e^{100(AOQL - AOQL_1)} \times \bar{N} \text{ otherwise}$$

$$f_4(P_{T_2}^i) = \min_{P_2^i} \left[f_3(AOQL_1) + k_5(N - \bar{N}) + \text{Penalty cost} \right]$$

$$(k_5 \text{ can be } \frac{0.009}{P_2^i} + 0.3)$$

Stage 5; Main Product inspection stage

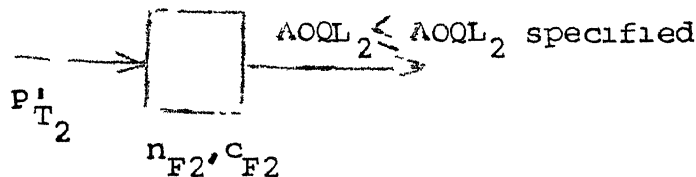


FIGURE 2.7 : MAIN PRODUCT INSPECTION STAGE

Cost at V stage = Cost at IV stage

+ Main product inspection cost

+ Its repair cost.

$$f_5(AOQL_2) = \min_{n_{F2}, c_{F2}} \left[f_4(P_{T_2}^i) + (k_{1F2}P_{T_2}^i + k_{2F2})AT_{F2} \right]$$

The method of storing the results and tracing back the optimal solutions at each stage remains the same. A computer program is developed and the 5-stage byproduct situation is illustrated.

2.3.1 Illustration by a numerical example

The following input parameters are taken for the illustration of the main product and byproduct situation.

$$k_{1RM} = 7.5 \quad ; \quad k_{2RM} = 0.25 \quad ; \quad k_3 = \frac{0.03}{P_I} + 0.3$$

$$k_4 = \frac{0.009}{P_1} + 0.45 ; \quad k_{1F1} = 10.0 \quad ; \quad k_{2F1} = 0.45$$

$$k_5 = \frac{0.01}{P_2} + 0.5 \quad ; \quad k_{1F2} = 12 \quad ; \quad k_{2F2} = 0.5$$

$$N = 1000 \quad ; \quad \bar{N} = 500 ; \quad AOQL_{1SP} = 0.035$$

$$AOQL_{2SP} = 0.065$$

$$\text{Penalty cost} = 0 \quad \text{if } AOQL_1 \leq AOQL_{1SP}$$

$$= e^{\frac{100(AOQL - AOQL_1)}{\bar{N}}} \quad \text{otherwise}$$

The output of the program is included in this section.

0.010	23	0.060	1382.193
0.015	18	0.060	1323.978
0.020	14	0.060	1265.579
0.025	11	0.055	1205.669
0.030	8	0.055	1145.605
0.035	4	0.055	1085.159
0.040	2	0.050	1023.680
0.045	0	0.050	961.454
0.050	0	0.050	900.000
0.055	0	0.055	845.455
0.060	0	0.060	800.000
0.065	0	0.065	761.538
0.070	0	0.070	728.571
0.075	0	0.075	700.000
0.080	0	0.080	675.000
0.085	0	0.085	652.941
0.090	0	0.090	633.333
0.095	0	0.095	615.789
0.100	0	0.100	600.000
PT1'	AIO	P1'	f2(P1')
.005	.000	.005	3746.00
.010	.000	.010	2846.00
.015	.000	.015	2546.00
.020	.000	.020	2396.00
.025	.000	.025	2306.00
.030	.000	.030	2246.00
.035	.005	.030	2188.00
.040	.015	.025	2128.00
.045	.020	.026	2068.00
.050	.025	.026	2006.00
.055	.030	.026	1944.00
.060	.035	.026	1882.00
.065	.040	.026	1819.00
.070	.045	.026	1755.00
.075	.050	.026	1692.00
.080	.050	.032	1635.00
.085	.055	.032	1578.00
.090	.060	.032	1532.00
.095	.060	.037	1491.00
.100	.065	.037	1451.00
QL1	f3(AO QL1)	PT1'	nF1
.000	2878.00	0.085	1000
.005	2888.47	0.025	69
.010	2721.72	0.020	78
.015	2583.76	0.020	145
.020	2481.64	0.025	113
.025	2415.89	0.030	92
.030	2355.62	0.035	78
.035	2295.46	0.040	68
.040	2226.29	0.050	60
.045	2163.38	0.055	54
.050	2093.77	0.075	37
.055	2028.33	0.075	34
.060	1969.06	0.085	31
.065	1912.54	0.085	29
.070	1851.29	0.085	35
.075	1807.20	0.090	33
.080	1767.60	0.090	31
.085	1730.48	0.095	29
.090	1694.57	0.100	27
.095	1663.53	0.100	26
.100	1636.85	0.095	31
PT2'	AQO	P2'	f4(P2')
.005	.000	.005	4128.00
.010	.000	.010	3628.00
.015	.000	.015	3461.00
.020	.000	.020	3378.00
.025	.010	.015	3301.00
.030	.015	.015	3162.00
.035	.020	.015	3058.00
.040	.020	.020	2976.00
.045	.025	.021	2909.00
.050	.030	.021	2846.00
.055	.035	.021	2786.00
.060	.035	.026	2738.00
.065	.035	.031	2700.00
.070	.035	.036	2683.00
.075	.035	.041	2660.00
.080	.035	.047	2652.00
.085	.035	.052	2641.00
.090	.035	.055	2633.00
.095	.035	.055	2623.00
.100	.035	.055	2613.00

27000001334445555555

11 APR 1964
CENTRAL LIBRARY
66876
No. A

CHAPTER 3

PARALLEL MANUFACTURING SYSTEM WITH ATTRIBUTE SAMPLING INSPECTION

A general situation in the industry is one in which the final product consists of several components, each one manufactured at different stages which are parallel. Before analysing the parallel manufacturing system, a presentation is made in Section 3.1 regarding the multicomponent system, the problem of assembling the components and diversifying the components.

3.1 Multicomponent situations

So far the cases that have been discussed in Chapter 2 are single component product cases. The forward recursion dynamic programming technique is not limited only to these single line multistage situations. It can be utilised for a complex situation in which two or more components after passing through raw material inspection and manufacturing stages are assembled and the assembled component passes through some more manufacturing stages and the final inspection stage. The situation can be as shown in Figure 3.1.

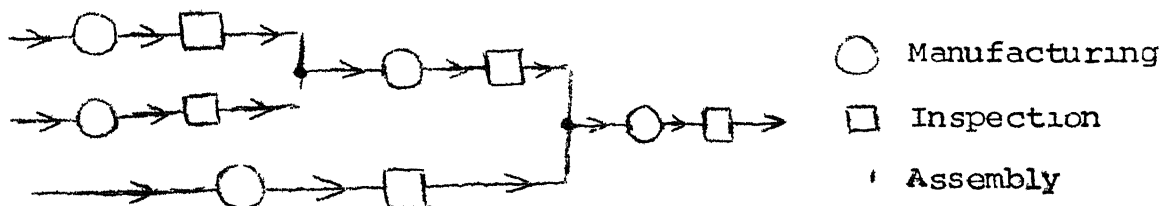


FIGURE 3.1 : SITUATION WITH ASSEMBLY

The same technique can be used for situations in which some of the products are used as components for different products as shown in Figure 3.2

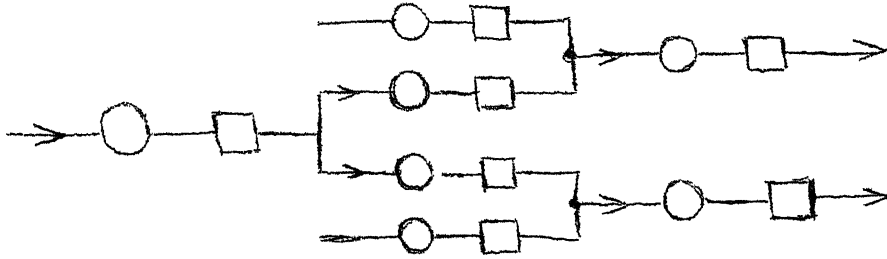


FIGURE 3.2 :SITUATION WITH DIVERSIFICATION

A case in which both assemblies and diversifications take place, is taken for illustration. Before examining that case a method to deal with the assemblies is explained for which the situation taken is shown in Figure 3.3

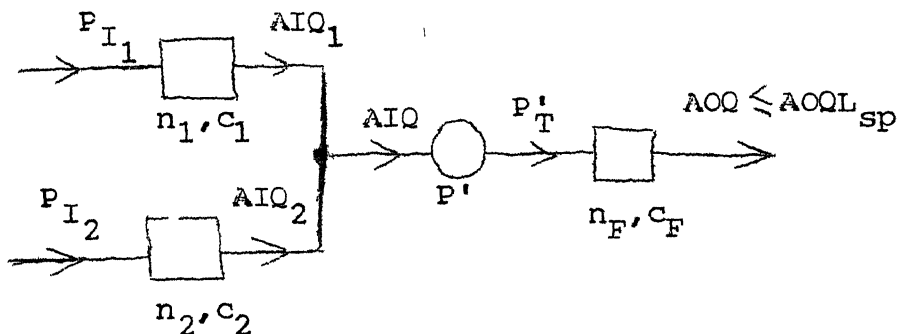


FIGURE 3.3 : SIMPLE SITUATION WITH AN ASSEMBLY.

The assembly of a nut and a bolt can be taken as this case.

$$AIQ_1 = \frac{P_{a1} P_{I1} (N - n_1)}{N}$$

$$AIQ_2 = \frac{P_{a2} P_{I2} (N - n_2)}{N}$$

The minimum value of AIQ after assembly is attained in a situation where all the defective components of one category get assembled with all or as many defective components of the other category and vice versa.

$$\text{Thus } AIQ_{\min} = \text{Max } [AIQ_1, AIQ_2]$$

The maximum value of AIQ after assembly is attained when all the defectives of one category get assembled with good components of the other and vice versa. The upper limit for AIQ is ofcourse 100% defectives.

$$\text{So } AIQ_{\max} = \text{Min } [(AIQ_1 + AIQ_2), 1]$$

After the manufacturing stage of the assembled component

$$P'_{T1} = P' + AIQ_{\max} (1 - P')$$

which ever the case

$$\text{or } P'_{T2} = P' + AIQ_{\min} (1 - P') \quad \text{may be}$$

$$P'_{T1} - P'_{T2} = (AIQ_{\max} - AIQ_{\min})(1 - P')$$

Since $(AIQ_{\max} - AIQ_{\min})$ and $(1 - P')$ are both +ve,

$$P'_{T1} - P'_{T2} \geq 0$$

$$\therefore P'_{T1} \geq P'_{T2}$$

$$\text{So } P'_{T_{\max}} = P' + AIQ_{\max} (1 - P')$$

$$\text{and } P'_{T_{\min}} = P' + AIQ_{\min} (1 - P').$$

Manufacturing

Raw material

inspect

n_1, c_1

AIQ_1

P'_T1

P'_1

Manufacturing

Raw material
inspection

AIQ_2

P'_T2

P'_2

n_2, c_2

P'_1

n_2, c_2

Component - B
with
100% inspection

Thus while dealing with the assembling the worst case is taken so as to avoid risk. It implies that AIQ_{max} is taken always for the assemblies. In case of multicomponent assemblies AIQ_{max} is the minimum of summation of AIQ and unity.

Figure 3.4 shows a diversification case

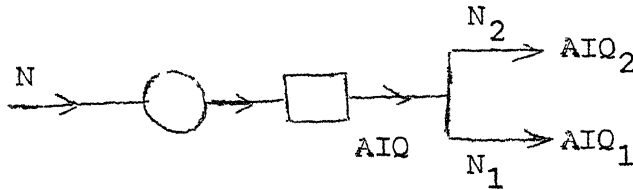


FIGURE 3.4 : SIMPLE SITUATION WITH DIVERSIFICATION

The analysis here is simple. As long as the lot sizes N_1 and N_2 are significantly large numbers AIQ_1 and AIQ_2 will be equal to AIQ .

3.2.1 Illustration of the parallel line structure

The situation shown in Figure 3.5 is such that component-1 and component-2 after passing through raw material inspection and manufacturing stages separately, are assembled. Some of these assembled parts get another component-A and pass through final inspection stage to be a product with a constraint on $AOQL_1$. Rest of the assembled parts get another component-B and pass through final inspection stage to be another product with a constraint on $AOQL_2$.

In this case component-A and component-B are taken with 100% inspection. However these components can be taken with their known fraction defectives with the standard procedure of

finding out resultant fraction defective after the assembly.

A computer program is developed with the basic structure intact to suit this particular case.

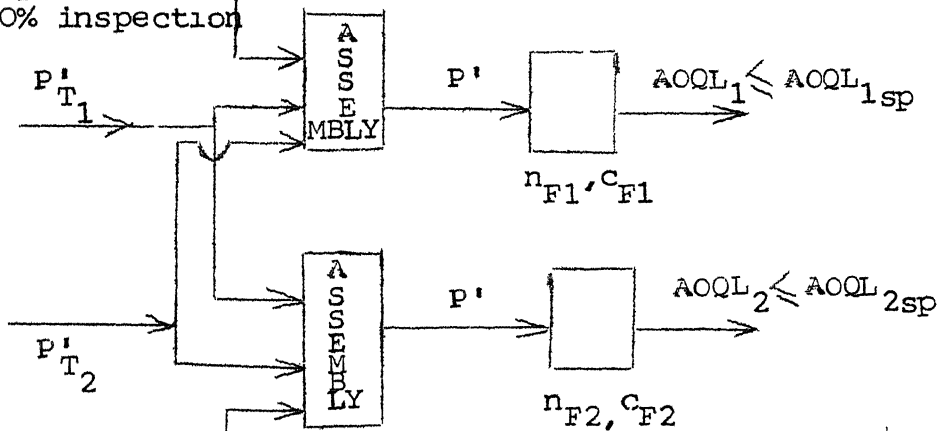
3.2.2 Methodology

In the first two stages, namely the raw material inspection and manufacturing stages, of the components 1 and 2 the costs are evaluated as usual. The final inspection stages of the two final products are made one combined final stage which needs a detailed study.

Combined Final Stage:

The combined final stage is shown in Figure 3.6.

Component A with
100% inspection



Component B with
100% inspection

FIGURE 3.6 : COMBINED FINAL STAGE

At the assembly of the two final products each possible combination of the P'_{T1} , P'_{T2} are taken and the resultant P' is found out by the technique of mixing of AIQs as illustrated in Figure 3.3. P' will be the same as long as the lot sizes

are significantly large. If the components A and B have their own fraction defectives after the assembly the resultant P' will be different and dependent on P'_{T_1} , P'_{T_2} and the fraction defectives of component A or B whichever the case may be.

For a given P'_{T_1} , P'_{T_2} combination the total cost at the combined final stage will be summation of individual cumulative costs, the cost of manufacturing of components A and B and the cost of the final inspection of the two products.

$$P' = \text{Min} \left[P'_{T_1} + P'_{T_2}, 1 \right]$$

Total cost at the combined final stage

$$= f2_1(P'_1) + f2_2(P'_2) + (\text{cost of manufacturing A and B}) \\ + (k_{1F1} P' + k_{2F1}) \text{ATI}_{F1} + (k_{2F2} P' + k_{2F2}) \text{ATI}_{F2}$$

Since the components A and B are taken with 100% inspection their manufacturing cost is constant and does not affect the optimal values. It will only shift the values upward. However it is included in the costs for giving the real optimal total cost.

3.2.4 Satisfying the AOQL constraints

If the final products have different AOQL constraints AOQL_{1SP} and AOQL_{2SP} , then while evaluating the total cost at the combined final stage it is seen that AOQL_1 and AOQL_2 do not exceed their specified values.

For example if $\text{AOQL}_{1SP} < \text{AOQL}_{2SP}$ then AOQL_1 and AOQL_2 are taken with the starting value of 0.0, incremented simultaneously by ^aspecified amount (say 0.005) till both of them reach

$AOQL_{1SP}$, and then onwards only $AOQL_2$ is incremented till it equals $AOQL_{2SP}$ while $AOQL_1$ is kept constant at $AOQL_{1SP}$.

Keeping the $AOQL_1$ value constant at $AOQL_{1SP}$ is justified because for all the values of $AOQL_2$ after it crosses $AOQL_{1SP}$, $AOQL_{1SP}$ will give the minimum cost for the first product since its the upper limit.

The situation given in Figure 3.5 is illustrated by means of a numerical example.

3.2.5 Numerical Example

The following input parameters are taken for the numerical example

	Component 1	Component 2
k_{1RM}	7.5	11.5
k_{2RM}	0.25	0.5
k_3	$(\frac{0.03}{P_I} + 0.3)$	$(\frac{0.05}{P_I} + 0.5)$
k_4	$(\frac{0.009}{P_I} + 0.45)$	$(\frac{0.009}{P_I} + 0.45)$
N	1000	500

	Final Product 1	Final Product 2
k_{1FP}	10.0	15
k_{2FP}	0.45	0.75
N	300	200
$AOQL_{SP}$	0.02	0.01

The output is included overleaf.

AI01	AI01	C1	P11	f11 (AI01)
0.0000	185	0	0.065	1496.550
0.0005	40	0	0.060	1440.483
0.0010	29	0	0.060	1382.193
0.0015	23	0	0.060	1323.978
0.0020	18	0	0.060	1265.579
0.0025	14	0	0.055	1205.669
0.0030	11	0	0.055	1145.605
0.0035	8	0	0.055	1085.159
0.0040	4	0	0.050	1023.680
0.0045	2	0	0.050	961.454
0.0050	0	0	0.050	900.000
0.0055	0	0	0.055	845.455
0.0060	0	0	0.060	800.000
0.0065	0	0	0.065	761.538
0.0070	0	0	0.070	728.571
0.0075	0	0	0.075	700.000
0.0080	0	0	0.080	675.000
0.0085	0	0	0.085	652.941
0.0090	0	0	0.090	633.333
0.0095	0	0	0.095	615.789
0.100	0	0	0.100	600.000
PT1,	AI01	P1,	f21 (PT1)	
.0005	.0000	.0005	3746.00	
.0010	.0000	.0010	2846.00	
.0015	.0000	.0015	2546.00	
.0020	.0000	.0020	2396.00	
.0025	.0000	.0025	2306.00	
.0030	.0000	.0030	2246.00	
.0035	.0005	.0030	2188.00	
.0040	.0015	.0025	2128.00	
.0045	.0020	.0026	2068.00	
.0050	.0025	.0026	2006.00	
.0055	.0030	.0026	1944.00	
.0060	.0035	.0026	1882.00	
.0065	.0040	.0026	1819.00	
.0070	.0045	.0026	1755.00	
.0075	.0050	.0026	1692.00	
.0080	.0050	.0032	1635.00	
.0085	.0055	.0032	1578.00	
.0090	.0060	.0032	1532.00	
.0095	.0060	.0037	1491.00	
.100	.065	.0037	1451.00	
AI02	AI02	C2	PI2	f12 (AI02)
0.0000	185	1	0.065	1256.738
0.0005	35	0	0.065	1209.457
0.0010	28	0	0.065	1161.524
0.0015	22	0	0.060	1111.887
0.0020	18	0	0.060	1062.509
0.0025	14	0	0.055	1012.569
0.0030	11	0	0.055	961.317
0.0035	8	0	0.055	909.569
0.0040	4	0	0.050	856.376
0.0045	2	0	0.050	802.853
0.0050	0	0	0.050	750.000
0.0055	0	0	0.055	704.545
0.0060	0	0	0.060	666.667
0.0065	0	0	0.065	634.615
0.0070	0	0	0.070	607.143
0.0075	0	0	0.075	583.333
0.0080	0	0	0.080	562.500
0.0085	0	0	0.085	544.118
0.0090	0	0	0.090	527.778
0.0095	0	0	0.095	513.158
0.100	0	0	0.100	500.000
PT2,	AI02	P2,	f22 (PT2)	
.0005	.0000	.0005	2381.00	
.0010	.0000	.0010	1931.00	
.0015	.0000	.0015	1781.00	
.0020	.0000	.0020	1706.00	
.0025	.0005	.0020	1658.00	
.0030	.0010	.0020	1609.00	
.0035	.0015	.0020	1558.00	
.0040	.0020	.0020	1508.00	
.0045	.0025	.0021	1456.00	
.0050	.0030	.0021	1404.00	
.0055	.0035	.0021	1351.00	
.0060	.0040	.0021	1297.00	
.0065	.0045	.0021	1242.00	
.0070	.0050	.0021	1188.00	
.0075	.0055	.0021	1142.00	

FA000L	4911.00	.010	300	****
.000	3351.00	.010	200	****
P=.015	PT1'=.005	PT2'=.010		
FA000L	FF3	FB1D	FN	FC
.000	4926.00	.015	300	****
.000	2926.00	.015	200	****
P=.015	PT1'=.010	PT2'=.005		
FA000L	FF3	FB1D	FN	FC
.000	4926.00	.015	300	****
.000	3376.00	.015	200	****
FF3	FF3F	FINE		
3351.00	4911.00	8272.00		
2926.00	4926.00	7852.00		
3376.00	4926.00	7402.00		

P=.010	PT1'=.005	PT2'=.005		
FA000L	FF3	FB1D	FN	FC
.005	4754.00	.010	59	0
.005	3209.27	.010	54	0
P=.015	PT1'=.005	PT2'=.010		
FA000L	FF3	FB1D	FN	FC
.005	4750.61	.015	59	0
.005	2754.40	.015	54	0
P=.015	PT1'=.010	PT2'=.005		
FA000L	FF3	FB1D	FN	FC
.005	3850.61	.015	59	0
.005	3204.40	.015	54	0
FF3	FF3F	FINE		
3209.27	4764.00	7973.27		
2754.40	4760.61	7515.02		
3204.40	3850.61	7065.02		

P=.010	PT1'=.005	PT2'=.005		
FA000L	FF3	FB1D	FN	FC
.010	4758.99	.010	33	0
.010	3201.50	.010	31	0
P=.015	PT1'=.005	PT2'=.010		
FA000L	FF3	FB1D	FN	FC
.010	4759.03	.015	33	0
.010	2750.01	.015	31	0
P=.015	PT1'=.010	PT2'=.005		
FA000L	FF3	FB1D	FN	FC
.010	3858.03	.015	33	0
.010	3200.01	.015	31	0
FF3	FF3F	FINE		
3201.50	4758.99	7960.48		
2750.01	4758.03	7508.04		
3200.01	3858.03	7058.04		

P=.010	PT1'=.005	PT2'=.005		
FA000L	FF3	FB1D	FN	FC
.015	4755.94	.010	23	0
.010	3201.50	.010	31	0
P=.015	PT1'=.005	PT2'=.010		
FA000L	FF3	FB1D	FN	FC
.015	4755.68	.015	23	0
.010	2750.01	.015	31	0
P=.015	PT1'=.010	PT2'=.005		
FA000L	FF3	FB1D	FN	FC
.015	3855.61	.015	23	0
.010	3201.50	.015	31	0
FF3	FF3F	FINE		
3201.50	4755.94	7505.61		
2750.01	4755.68	7055.61		
3200.01	3855.61	7055.61		

P=.010	PT1'=.005	PT2'=.005		
FA000L	FF3	FB1D	FN	FC
.020	4754.02	.010	17	0
.010	3201.50	.010	31	0
P=.015	PT1'=.005	PT2'=.010		
FA000L	FF3	FB1D	FN	FC
.020	4754.02	.015	17	0
.010	2750.01	.015	31	0
P=.015	PT1'=.010	PT2'=.005		
FA000L	FF3	FB1D	FN	FC
.020	3854.02	.015	17	0
.010	3200.01	.015	31	0
FF3	FF3F	FINE		

*indicates 100% inspection.

So the optimal total cost is Rs.7054.03 with P' of 0.015. This P' leads to P'_{T_1} of 0.01 and P'_{T_2} of 0.005 which lead to the optimal values of the preceding stages.

Thus the optimal values are,

Optimal total cost = Rs.7054.03

$$P' = 0.015 \quad P'_{T_1} = 0.01 \quad P'_{T_2} = 0.005$$

$$P'_{T_1} = 0.01, AIQ_1 = .000, P'_1 = 0.01, f_{21}(P'_{T_1}) = \text{Rs.}2846.00$$

$$AIQ_1 = 0.000, n_1 = 185, c_1 = 1, F_{I_1} = 0.065,$$

$$f_{11}(AIQ_1) = \text{Rs.}1496.55$$

$$P'_{T_2} = 0.005, AIQ_2 = 0.000, P'_2 = 0.005, f_{22}(P'_{T_2}) = \text{Rs.}2381.00$$

$$AIQ_2 = 0.000, n_2 = 185, c_2 = 1, F_{I_2} = 0.065,$$

$$f_{21}(AIQ_2) = \text{Rs.}1256.73$$

CHAPTER 4

PARALLEL MANUFACTURING SYSTEM WITH MIXED SAMPLING

4.1 Variable and Attribute Sampling Inspections

So far in all the cases that are studied only attribute sampling is taken for illustration. In general, several situations in the industry need both attribute and variable sampling depending on the quality characteristic that is inspected.

The forward recursion DP technique is extended to that situation in which there are both attribute and variable sampling. Figure 4.1 shows the situation that is taken for illustration.

In the situation shown, the two components pass through variable sampling inspection separately. Then they get assembled and one stream of this assembly get assembled with component A while the other stream get assembled with component B. Then there is attribute sampling inspection for both the products with different specified AOQLs.

The situation is similar to Figure 3.6 as far as the combined final inspection stage is concerned. The treatment and technique remain the same for this stage as illustrated in Chapter 3 so only the initial variable sampling inspection stage needs discussion (method is the same for both the products).

Variable Sampling Inspection Stage:

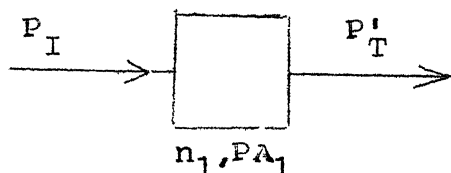


FIGURE 4.2 : VARIABLE SAMPLING INSPECTION

Here,

P_I = fraction defective of the incoming lot

n_1 = sample size

PA_1 = probability of acceptance which decides fixing up of upper and lower limits by which a lot is accepted or rejected.

P'_T = outgoing fraction defective

Cost at this stage

$$= f_1(P_I) = (RK1 \cdot P_I + RK2)ATI + (RK3/P_I + RK4)N \quad (1)$$

The input here is a stream of values of P_I (Say from 0.005 to 0.1 in steps of 0.005). The initial value is taken as zero for P'_T .

$P'_T = 0$ implies that 100% inspection is used. So ATI will be the lot size N . Among the values of P_I the one that gives the minimum f_1 is selected (from equation (1)) for $P'_T = 0$ and that P_I is recorded.

The following procedure is adopted for the rest of the values of P_I .

For a given P_T^i and P_I a sample size SZ (Say $SZ = 10$) is taken, values of PA_1 and ATI are obtained and the function value f_1 is found out

$$PA_1 = \frac{N \cdot P_T^i}{P_I (N - SZ)}$$

$$ATI = SZ + (1 - PA) (N - SZ)$$

$$\begin{aligned} f_1(P_I) &= (RK1 \cdot P_I + RK2)ATI \\ &+ (RK3/P_I + RK4)N \end{aligned}$$

$RK1$, $RK2$, $RK3$ and $RK4$ are cost parameters similar to that of attribute inspection case.

Then SZ is incremented by a specific amount and the procedure is repeated for all values of SZ till SZ is equal to a specific upper limit. Then for the given P_T^i and P_I the value of SZ that gives minimum f_1 is selected and the values of P_T^i , P_I , SZ , PA_1 and f_1 are noted.

This procedure is repeated for all values of P_I . Then for a given P_T^i the P_I that gives the minimum f_1 is recorded as the optimal value along with its optimal SZ , PA_1 and f_1 .

The method is repeated for all values of P_T^i and thus the optimal P_I , PA_1 , SZ and f_1 are found out for each P_T^i .

When once the PA_1 is found out it is used to fix up the upper and lower limits by which we can accept or reject a lot.

A computer program is developed for the situation that is illustrated and a numerical example is solved.

4.1.1 Numerical Example

The following input parameters are taken for the numerical example.

	Component 1	Component 2
k_{1RM}	15.0	20
k_{2RM}	0.6	0.8
k_3	$(\frac{0.06}{P_I} + 0.6)$	$(\frac{0.08}{P_I} + 0.8)$
N	1000	500

	Final Product 1	Final Product 2
k_{1FP}	10.0	15
k_{2FP}	0.45	0.75
N	300	200
$AOQL_{SP}$	0.02	0.01

The results are given overleaf.

So the optimal total cost is Rs.6717.70 with $P' = 0.015$. This P' leads to P'_{T_1} of 0.015 and P'_{T_2} of 0.000 which lead to the optimal values of the preceding stages.

Thus the optimal values are

Optimal total cost = Rs.6717.70

$P' = 0.015$ $P'_{T_1} = 0.015$ $P'_{T_2} = 0.0050$

P'_{T_1}	P_{I_1}	$f_{11}(P'_{T_1})$	n_1	PA_1
0.015	0.06	Rs.2725.00	100	0.28

P'_{T_2}	P_{I_2}	$f_{12}(P'_{T_2})$	n_2	PA_2
0.000	0.065	Rs.2065.38	500	**

** indicates 100% inspection.

P'	$PT1'$	$PT2'$
$P' = .000$	$PT1' = .000$	$PT2' = .000$
FADQL	FF3	FP1D
.000	4233.08	.000
.000	3015.3	.000
$P' = .005$	$PT1' = .000$	$PT2' = .005$
FADQL	FF3	FP1D
.000	4248.08	.005
.000	2948.33	.005
$P' = .010$	$PT1' = .000$	$PT2' = .010$
FADQL	FF3	FP1D
.000	4253.08	.010
.000	2911.1	.010
$P' = .015$	$PT1' = .000$	$PT2' = .015$
FADQL	FF3	FP1D
.000	4273.08	.015
.000	2911.67	.015
$P' = .025$	$PT1' = .005$	$PT2' = .020$
FADQL	FF3	FP1D
.000	4273.08	.005
.000	2933.30	.005
$P' = .030$	$PT1' = .005$	$PT2' = .005$
FADQL	FF3	FP1D
.000	4142.07	.010
.000	2952.32	.010
$P' = .035$	$PT1' = .005$	$PT2' = .010$
FADQL	FF3	FP1D
.000	4155.00	.015
.000	2895.00	.015
$P' = .040$	$PT1' = .010$	$PT2' = .020$
FADQL	FF3	FP1D
.000	4015.00	.010
.000	3045.38	.010
$P' = .045$	$PT1' = .010$	$PT2' = .005$

0.000	3915.00	0.015	370	****
0.000	3050.39	0.015	200	
FF3	FF3F	FTNF		
3015.38	4233.08	7248.46		
2948.33	4248.08	7195.41		
2880.00	4263.08	7143.08		
2811.67	4278.08	7089.74		
3030.38	4125.00	7155.38		
2953.33	4140.00	7103.33		
2895.00	4155.00	7050.00		
3045.38	4015.00	7060.38		
2978.33	4030.00	7003.33		
3050.38	3905.00	6965.38		

P' = .000	PT1' = .000	PT2' = .000	
FA00L	FF3	FP1D	FN
.005	4124.67	.000	59
.005	2905.73	.000	54
P' = .005	PT1' = .000	PT2' = .005	
FA00L	FF3	FP1D	FN
.005	4159.43	.005	59
.005	2855.16	.005	54
P' = .010	PT1' = .000	PT2' = .010	
FA00L	FF3	FP1D	FN
.005	4188.30	.010	108
.005	2803.15	.010	54
P' = .015	PT1' = .000	PT2' = .015	
FA00L	FF3	FP1D	FN
.005	4218.14	.015	108
.005	2747.88	.015	91
P' = .005	PT1' = .005	PT2' = .000	
FA00L	FF3	FP1D	FN
.005	4035.36	.005	59
.005	2938.21	.005	54
P' = .010	PT1' = .005	PT2' = .005	
FA00L	FF3	FP1D	FN
.005	4065.22	.010	108
.005	2886.49	.010	54
P' = .015	PT1' = .005	PT2' = .010	
FA00L	FF3	FP1D	FN
.005	4095.06	.015	108
.005	2831.21	.015	91
P' = .010	PT1' = .010	PT2' = .000	
FA00L	FF3	FP1D	FN
.005	3940.22	.010	108
.005	2968.54	.010	54
P' = .015	PT1' = .010	PT2' = .005	
FA00L	FF3	FP1D	FN
.005	3970.06	.015	108
.005	2914.55	.015	91
P' = .015	PT1' = .015	PT2' = .000	
FA00L	FF3	FP1D	FN
.005	3845.06	.015	108
.005	2996.60	.015	91
FF3	FF3F	FTNF	
2905.73	4159.43	7089.74	
2855.16	4188.30	7050.00	
2717.13	4035.36	7003.33	
2886.49	4065.22	6965.38	
2831.21	4095.06		
2768.21	3940.22		
2714.55	3970.06		
2706.60	3845.06		

P' = .000	PT1' = .000	PT2' = .000	
FA00L	FF3	FP1D	FN
.010	4112.42	.000	33
.010	2888.69	.000	31
P' = .005	PT1' = .000	PT2' = .005	
FA00L	FF3	FP1D	FN
.010	4134.66	.005	33
.010	2829.02	.005	31

P'=.010	FAUOL	FF3	PT1'=.000	FP1D	PT2'=.010	FN	FC
.010	.010	4152.36	.010	.010	.010	66	1
.010	.010	2768.39	.010	.010	.010	59	1
P'=.015	FAUOL	FF3	PT1'=.000	FP1D	PT2'=.015	FN	FC
.010	.010	4173.86	.015	.015	.015	66	1
.010	.010	2705.01	.015	.015	.015	59	1
P'=.005	FAUOL	FF3	PT1'=.005	FP1D	PT2'=.000	FN	FC
.010	.010	4011.58	.005	.005	.000	33	0
.010	.010	2911.08	.005	.005	.000	31	0
P'=.010	FAUOL	FF3	PT1'=.005	FP1D	PT2'=.005	FN	FC
.010	.010	4029.28	.010	.010	.005	66	1
.010	.010	2851.72	.010	.010	.005	59	1
P'=.015	FAUOL	FF3	PT1'=.005	FP1D	PT2'=.010	FN	FC
.010	.010	4050.79	.015	.015	.010	66	1
.010	.010	2788.34	.015	.015	.010	59	1
P'=.010	FAUOL	FF3	PT1'=.010	FP1D	PT2'=.000	FN	FC
.010	.010	3904.28	.010	.010	.000	66	1
.010	.010	2933.77	.010	.010	.000	59	1
P'=.015	FAUOL	FF3	PT1'=.010	FP1D	PT2'=.005	FN	FC
.010	.010	3925.79	.015	.015	.005	66	1
.010	.010	2871.68	.015	.015	.005	59	1
P'=.015	FAUOL	FF3	PT1'=.015	FP1D	PT2'=.000	FN	FC
.010	.010	3800.79	.015	.015	.000	66	1
.010	.010	2953.73	.015	.015	.000	59	1
	FF3	FF3F		FINF			
	2888.69	4112.82		7001.51			
	2829.02	4134.66		6963.68			
	2768.39	4152.36		6920.75			
	2705.01	4173.86		6878.87			
	2911.08	4011.58		6922.65			
	2851.72	4029.28		6881.00			
	2788.34	4050.79		6839.13			
	2933.77	3904.28		6838.05			
	2871.68	3925.79		6797.46			
	2953.73	3800.79		6754.51			

P'=.000	FAUOL	FF3	PT1'=.000	FP1D	PT2'=.000	FN	FC
.015	.015	4108.28	.000	.000	.000	23	0
.010	.010	2888.69	.000	.000	.000	31	0
P'=.005	FAUOL	FF3	PT1'=.000	FP1D	PT2'=.005	FN	FC
.015	.015	4124.27	.005	.005	.005	23	0
.010	.010	2829.02	.005	.005	.005	31	0
P'=.010	FAUOL	FF3	PT1'=.000	FP1D	PT2'=.010	FN	FC
.015	.015	4135.44	.010	.010	.010	47	1
.010	.010	2768.39	.010	.010	.010	59	1
P'=.015	FAUOL	FF3	PT1'=.000	FP1D	PT2'=.015	FN	FC
.015	.015	4150.49	.015	.015	.015	47	1
.010	.010	2705.01	.015	.015	.015	59	1
P'=.005	FAUOL	FF3	PT1'=.005	FP1D	PT2'=.000	FN	FC
.015	.015	4001.27	.005	.005	.000	23	0
.010	.010	2911.08	.005	.005	.000	31	0
P'=.010	FAUOL	FF3	PT1'=.005	FP1D	PT2'=.005	FN	FC
.015	.015	4012.36	.010	.010	.005	47	1
.010	.010	2851.72	.010	.010	.005	59	1
P'=.015	FAUOL	FF3	PT1'=.005	FP1D	PT2'=.010	FN	FC
.015	.015	4027.11	.015	.015	.010	47	1
.010	.010	2788.34	.015	.015	.010	59	1
P'=.010	FAUOL	FF3	PT1'=.010	FP1D	PT2'=.000	FN	FC
.015	.015	3887.36	.010	.010	.000	47	1
.010	.010	2933.77	.010	.010	.000	59	1
P'=.015	FAUOL	FF3	PT1'=.010	FP1D	PT2'=.005	FN	FC
.015	.015	3902.41	.015	.015	.005	47	1
.010	.010	2871.68	.015	.015	.005	59	1

P'=.015	PT1'=.015	PT2'=.000
FAOOL	FF3	FP1D
.015	3777.41	.015
.010	2953.73	.015
FF3	FF3F	FINF
2888.69	4108.28	6996.97
2829.02	4124.27	6953.30
2768.39	4135.44	6903.83
2705.01	4150.49	6855.50
2911.08	4001.20	6912.27
2851.72	4012.36	6864.09
2788.34	4027.41	6815.76
2933.77	3887.36	6821.14
2871.68	3902.41	6774.09
2953.73	3777.41	6731.14

P'=.000	PT1'=.000	PT2'=.000
FAOOL	FF3	FP1D
.020	4105.88	.000
.010	2888.69	.000
P'=.005	PT1'=.000	PT2'=.005
FAOOL	FF3	FP1D
.020	4118.48	.005
.010	2829.02	.005
P'=.010	PT1'=.000	PT2'=.010
FAOOL	FF3	FP1D
.020	4126.08	.010
.010	2768.39	.010
P'=.015	PT1'=.000	PT2'=.015
FAOOL	FF3	FP1D
.020	4137.05	.015
.010	2705.01	.015
P'=.005	PT1'=.005	PT2'=.000
FAOOL	FF3	FP1D
.020	3995.40	.005
.010	2911.08	.005
P'=.010	PT1'=.005	PT2'=.005
FAOOL	FF3	FP1D
.020	4003.00	.010
.010	2851.72	.010
P'=.015	PT1'=.005	PT2'=.010
FAOOL	FF3	FP1D
.020	4013.97	.015
.010	2788.34	.015
P'=.010	PT1'=.010	PT2'=.000
FAOOL	FF3	FP1D
.020	3878.00	.010
.010	2933.77	.010
P'=.015	PT1'=.010	PT2'=.005
FAOOL	FF3	FP1D
.020	3888.97	.015
.010	2871.68	.015
P'=.015	PT1'=.015	PT2'=.000
FAOOL	FF3	FP1D
.020	3763.97	.015
.010	2953.73	.015
FF3	FF3F	FINF
2888.69	4105.88	6994.57
2829.02	4118.48	6947.50
2768.39	4126.08	6894.47
2705.01	4137.05	6847.06
2911.08	3995.40	6903.83
2851.72	4003.00	6855.50
2788.34	4013.97	6802.31
2933.77	3878.00	6815.76
2871.68	3888.97	6764.09
2953.73	3763.97	6731.14

FAOOL: A1D1 or A1D2 FP1D: F1D1 or D1/
 : : : : : cost of component1 or component2
 FC: CF1 or CF2

CHAPTER 5

CONCLUSIONS

Starting with a simple single line situation the Dynamic Programming technique is successfully utilized to tackle multistage multicomponent parallel line situations with attribute as well as variable sampling inspections.

The methodology can be utilized in practical industrial situations with due modifications. For example, some of the quality levels that are explored may not be available or feasible in practice. These levels lead to forming of additional constraints and cut down the number of alternatives.

Sensitivity analysis can be carried out to study the effect of varying various cost parameters on the optimal total cost of manufacture. For example, a sensitivity analysis on the lot size determines the optimal lot size.

5.1 Scope for further research.

The assumption of perfect inspection can be dropped by accommodating the inspection errors. While dealing with the resultant fraction defective of the assemblies instead of taking the worst case a probabilistic resultant fraction defective or an average resultant fraction defective can be taken. For a given situation, by using the methodology the economical sampling inspection procedure (attribute or variable) can be found out for different inspection stages. Simulation techniques can be adopted in case of more than two components getting assembled.

REFERENCES

1. M.Zia Hassan, Thomas W. Knowles, "An Optimal Quality Control Design for Single Product Serial Manufacturing System", Journal of Quality Technology, Vol.11, No.1, January 1979.
2. Duncan, A.J., Quality Control and Industrial Statistics, 4th edition, Irwin, Homewood, Illinois, 1974.
3. Ercan, S.S., Hassan, M.Z., and Taulananda, A., "Cost Minimizing Single Sampling Plans with AIQL and AOQL Constraints", Management Science, Vol.20, No.7, March 1974, pp. 1112-1121.
4. Beightler, C.S., and Mitten, L.G., "Design of an Optimal Sequence of Interrelated Sampling Plans", Journal of American Statistical Association, Vol.59, No.305, March 1964, pp. 96-104.
5. Nemhauser, G.L., Introduction to Dynamic Programming, Wiley, New York, 1966.
6. Shahnazarian, R.E., "Selection of Economical Quality Levels for Multi-component Assemblies", Industrial Quality Control Journal, American Society for Quality Control, Vol.22, No.4, October 1965, pp. 178-184.
7. Stacy, E.W., Hunsinger, L.E., and Price, J.F., "Determining Economic Sampling Plans", IBM Systems Journal, Vol.8, No.3, 1969, pp. 220-244.
8. Smith, B.E., "Some Economic Aspects of Quality Control", Technical Report 53, Applied Mathematics and Statistics Laboratories, Stanford University, July 3, 1961.
9. Rosenshine, M., "Optimal Inspection Procedures", Journal of Quality Control and Applied Statistics, Vol.16, issue 4, 1971.
10. Ercan, S.S., "Systems Approach to the Multistage Manufacturing Connected Unit Situation", Journal of Quality Control and Applied Statistics, Vol.18, issue 6, 1973.

A 66876

Date Ship **A 66876**

This book is to be returned on the
date last stamped _____ d

CD 6729

IMEP-1981-M-VEN-OPT